



ITEM 5.1.2

## OFFICE OF THE EXECUTIVE MAYOR

31 May 2019

For submission to council


## FINAL DRAFT BUDGET FOR THE 2019/20 FINANCIAL YEAR

### **Purpose**

The Purpose of this submission is to present to Council, Xhariep District Municipality's Final Draft budget for the 2019/20 financial year.

### **Background**

- (1) The municipal council must at least 30 days before the start of the budget year consider approval of the annual budget.
- (2) An annual budget-
  - (a) must be approved before the start of the budget year;
  - (b) is approved by the adoption by the council of a resolution referred to in section 17(3)(a)(i); and
  - (c) must be approved together with the adoption of resolutions as may be necessary-
    - (i) imposing any municipal tax for the budget year;
    - (ii) setting any municipal tariffs for the budget year;
    - (iii) approving measurable performance objectives for revenue from each source and for each vote in the budget;
    - (iv) approving any changes to the municipality's integrated development plan; and
    - (v) approving any changes to the municipality's budget- related policies.
- (3) The accounting officer of a municipality must submit the approved annual budget to the National Treasury and the relevant provincial treasury.



## **Discussions and Narratives**

In compliance with the above section of the MFMA, the Executive Mayor hereby presents to Council, Xhariep District Municipality's 2019/20 financial year Annual Budget for consideration.

### **Revenue**

Municipality's revenue is largely made up of grants and a portion of own generated revenue as follows:

### **Grants**

#### **National Government's Equitable Share**

The Equitable Share increase from R 40,554,000 in 2018/19 to R 43,542,000 for 2019/20, an increase viewed as reasonably progressive.

#### **Provincial Financial Assistance Grant**

This grant is provided as R20 million year on year and is a type of grant intended for municipalities with financial difficulties, but this grant may not be for long, thus the importance of our municipality to be able to generate its own income and move away from grant funding.

#### **Finance Management Grant.**

The aim of this grant is to keep the Budget and Treasury Office afloat with a condition that interns are in the employ of the municipality. Over and above that is to ensure the finance systems are in place for the finance department to operate effectively. For the 2019/20 financial year the grant is R 1,785,000 an increase of R 465,000 from the R 1,320,000 of 2018/19 period.

#### **Rural Roads Assets Management Systems Grant**

The RRAMS Grant is used to assist the rural district municipalities to set up rural roads asset systems, and collect road and traffic data in line with the Road Infrastructure Strategy Framework for South Africa (RISFFSA). The grant has increased R 2,270,000 in 2019/20 financial year. Five percent of the grant is used for project implementation for first time this financial year giving a relief of R113, 000 to the annual budget.



### **Extended Public Works Programme Grant.**

The EPWP grant is aimed creating job opportunities and is a relief to poor in the short to medium term. For 2019/20 period the grant has been increased to R1,135,000 from R1,029,000 in 2018/19 financial year.

It is important to note that the FMG, RRAMS and EPWP are conditional grants and cannot be used for any operational purposes.

**The livelihood of this municipality is on the Equitable Share and Provincial Grant which together totals R63,542,000.**

### **OWN REVENUE**

In light with the grant dependency norm that Xhariep District Municipality is attempting to remove, the municipality has devised means on generating own income.

Major to this is the rental income from Kopanong Local Municipality of R490,185 as Kopanong is housed in the Xhariep District Municipality building.

Investment income is expected to be received at an amount of R200,000. Renting offices in the Planning and Social Development precinct is expected to yield R60,000. Facilities like auditorium, kitchen and side hall are budgeted to provide rental income of R12,000. Parking bays are expected to bring in R166,000 while licence and permit issued by Environmental Health is budget at R25,000. Tender documents are budgeted at R16,000.

With 100% collection rate of own income, a total of R969,185 is a potential inflow of our revenue base.

### **EXPENDITURE**

The major cost to the budget is Employee Related Cost (ERC). We have resolved not to employ from outside the municipality and ensure we save on sourcing employees from inside the institution. A picture of our expenditure plan will unfold hereunder.

## Capital Expenditure

The municipality capital expenditure is influenced by the following factors:

- 1) The Municipality intends to purchase computer equipment for various Departments and the budget is estimated at R80 000.00

The major movements in the expenditure are clustered follow:

- Occupational health and safety has been budgeted an amount of R10 000
- The audit and risk committee fees are allocated R 100,000 Auditor General fees has been allocated R1 000,000
- Subsistence and Travel costs are budgeted at R1,516,000 across all departments
- Contracted services are budget R 1,050,000 for telephones, printers and internet.
- Entertainment cost for office refreshment is budgeted at R24,000
- Insurance is allocated R 760,000
- Water and electricity has been allocated R 172,000
- Transport expenses are set at R 294,000 for licences, fuel and maintenance for all four vehicles of the municipality
- Printing and stationery items are costed at R 81,800
- Congress and seminars has an allocation by R 35 000.
- Non-cash items of depreciation and provision for doubtful debts and budgeted R 2,142,635
- Finance costs are budget an amount of R 700,000
- Noting the status of the building, we have budgeted R 230 000, taking into consideration of what was raised by Auditor General taking into account the provision that was made in the adjustments budget.
- Communication cost are allocated R 50,000
- Computer network infrastructure costs are set at R 282,500
- Legal and disciplinary costs are budgeted R155,000
- Employee wellness efforts are allocated R15,000
- Professional fees are allocated R46,000
- Security vote has been allocated R40 000

- Programmes and projects in the office of the Mayor are allocated R 360,000 including public participation activities.
  - Disaster Management contributions is budgeted for R 50,000.
  - Service delivery projects of Environmental Health and Local Economic and Tourism Development have been allocated half a million rand each to ensure that Xhariep District Municipality is visible present in our communities
- Purchasing of computers and laptops has been budgeted an amount of R 70,000.
- Training and skills development has a budget R300 000
  - SALGA fees have been allocated at R 550,000.

#### **Financial Implications**

The budget is a funded budget with no deficit.

#### **Other Parties Consulted**

Management of Xhariep District Municipality

Free State Provincial Treasury

Stakeholders in Edenburg, Smithfield, Fauresmith, Petrusburg

#### **Recommendations:**

1. It is recommended that council takes note of final draft 2019/20 financial year budget.
  - a) That the budget, as envisaged by section 28(2) of the MFMA, for the financial year 2019/20 and two outer 200/21 & 2021/22 financial years be noted with
    - (i) Table A1 Budget Summary;
    - (ii) Table A2 Budget Financial Performance (by standard classification);
    - (iii) Table A3 Budget Financial Performance (by municipal vote);
    - (iv) Table A4 Budget Financial Performance (revenue by source); and
    - (v) Table A5 Budget Capital Expenditure (by municipal vote and funding source)



2. It is recommended that council takes note of the draft budget related policies

- 2.1 Supply Chain Management Policy
- 2.2. Budget Policy
- 2.3. Banking and Investments Policy
- 2.4 Credit Control and Debt Collection Policy
- 2.5 Tariff Policy
- 2.6 Fixed Asset Policy
- 2.7 Travel and Subsistence Allowance Policy



Hon Cllr MJ Sehanka  
Executive Mayor  
Khariep District Municipality

Date : 30/03/19

DC16 Xhariep - Table A1 Budget Summary

Description	2015/16	2016/17	2017/18	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
<b>Financial Performance</b>										
Property rates	-	-	-	-	-	-	-	-	-	-
Service charges	-	-	-	-	-	-	-	-	-	-
Investment revenue	183	97	108	-	180	-	-	200	211	222
Transfers recognised - operational	52,306	52,529	59,679	64,762	64,762	-	-	68,740	69,301	72,918
Other own revenue	1,267	965	1,057	507	639	-	-	769	812	856
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>53,755</b>	<b>53,592</b>	<b>60,844</b>	<b>65,268</b>	<b>65,581</b>	<b>-</b>	<b>-</b>	<b>69,709</b>	<b>70,323</b>	<b>73,996</b>
Employee costs	34,811	36,819	39,451	42,370	42,027	-	-	46,238	48,277	50,457
Remuneration of councillors	4,045	3,961	4,496	4,317	4,490	-	-	4,890	5,525	6,424
Depreciation & asset impairment	2,290	2,181	2,406	1,652	1,652	-	-	1,652	1,252	952
Finance charges	400	518	357	-	-	-	-	370	326	299
Materials and bulk purchases	-	-	-	-	-	-	-	2,394	-	-
Transfers and grants	-	-	-	-	-	-	-	-	-	-
Other expenditure	19,214	13,880	13,076	16,928	16,928	-	-	14,164	14,968	15,370
<b>Total Expenditure</b>	<b>60,759</b>	<b>57,360</b>	<b>59,786</b>	<b>65,268</b>	<b>65,098</b>	<b>-</b>	<b>-</b>	<b>69,709</b>	<b>70,348</b>	<b>73,503</b>
<b>Surplus/(Deficit)</b>	<b>(7,004)</b>	<b>(3,768)</b>	<b>1,058</b>	<b>0</b>	<b>483</b>	<b>-</b>	<b>-</b>	<b>0</b>	<b>(25)</b>	<b>493</b>
Transfers and subsidies - capital (m)	-	-	-	-	-	-	-	-	-	-
Contributions recognised - capital &	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>(7,004)</b>	<b>(3,768)</b>	<b>1,058</b>	<b>0</b>	<b>483</b>	<b>-</b>	<b>-</b>	<b>0</b>	<b>(25)</b>	<b>493</b>
associate	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) for the year</b>	<b>(7,004)</b>	<b>(3,768)</b>	<b>1,058</b>	<b>0</b>	<b>483</b>	<b>-</b>	<b>-</b>	<b>0</b>	<b>(25)</b>	<b>493</b>
<b>Capital expenditure &amp; funds sources</b>										
Capital expenditure	424	212	1,373	281	160	-	-	80	22	27
Transfers recognised - capital	424	212	1,373	281	160	-	-	80	22	27
Borrowing	-	-	-	-	-	-	-	-	-	-
Internally generated funds	-	-	-	-	-	-	-	-	-	-
<b>Total sources of capital funds</b>	<b>424</b>	<b>212</b>	<b>1,373</b>	<b>281</b>	<b>160</b>	<b>-</b>	<b>-</b>	<b>80</b>	<b>22</b>	<b>27</b>
<b>Financial position</b>										
Total current assets	2,232	4,260	5,774	4,010	4,010	-	-	13,530	14,261	15,031
Total non current assets	16,704	16,743	15,967	17,338	17,194	-	-	17,263	17,298	17,298
Total current liabilities	11,769	16,549	16,179	13,159	12,859	-	-	21,256	22,452	23,664
Total non current liabilities	1,788	1,533	1,583	2,000	2,000	-	-	1,665	1,755	1,850
Community wealth/Equity	5,380	2,921	3,979	6,188	6,345	-	-	7,871	7,352	6,815
<b>Cash flows</b>										
Net cash from (used) operating	(796)	4,051	(1,600)	280	535	-	-	2,785	604	1,752
Net cash from (used) investing	(389)	(2,333)	-	(281)	(160)	-	-	-	-	-
Net cash from (used) financing	46	(423)	-	-	-	-	-	-	-	-
<b>Cash/cash equivalents at the year end</b>	<b>593</b>	<b>1,889</b>	<b>(1,600)</b>	<b>(0)</b>	<b>375</b>	<b>-</b>	<b>-</b>	<b>8,785</b>	<b>9,389</b>	<b>11,141</b>
<b>Cash backing/surplus reconciliation</b>										
Cash and investments available	593	1,889	2,909	2,000	2,000	-	-	9,060	9,549	10,065
Application of cash and investments	8,930	16,972	14,444	11,159	11,042	-	-	18,329	19,461	20,511
<b>Balance - surplus (shortfall)</b>	<b>(8,337)</b>	<b>(15,084)</b>	<b>(11,535)</b>	<b>(9,159)</b>	<b>(9,042)</b>	<b>-</b>	<b>-</b>	<b>(9,269)</b>	<b>(9,912)</b>	<b>(10,446)</b>
<b>Asset management</b>										
Asset register summary (WDV)	-	-	-	-	-	-	-	-	-	-
Depreciation	2,290	2,943	1,600	1,652	1,652	-	-	1,652	1,252	952
Renewal and Upgrading of Existing	-	-	-	-	-	-	-	-	-	-
Repairs and Maintenance	298	113	3,647	6,996	6,996	-	-	488	198	209
<b>Free services</b>										
Cost of Free Basic Services provided	-	-	-	-	-	-	-	-	-	-

Revenue cost of free services provided	-	-	-	-	-	-	-
<u>Households below minimum service level</u>	-	-	-	-	-	-	-
Water:	-	-	-	-	-	-	-
Sanitation/sewerage:	-	-	-	-	-	-	-
Energy:	-	-	-	-	-	-	-
Refuse:	-	-	-	-	-	-	-



DC16 Xhariep - Table A2 Budgeted Financial Performance (revenue and expenditure by functional classification)

Classification	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
<b>Revenue - Functional</b>										
<i>Governance and administration</i>		41,898	38,706	43,060	48,859	49,226	-	53,815	53,571	56,339
Executive and council		8,225	11,693	12,454	13,357	13,591	-	15,846	16,701	17,603
Finance and administration		33,673	27,013	30,606	35,502	35,635	-	37,970	36,870	38,736
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		-	-	-	-	-	-	-	-	-
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental management</i>		11,549	14,605	14,758	16,409	16,355	-	15,894	16,752	17,657
Planning and development		11,549	14,605	14,758	16,409	16,355	-	15,894	16,752	17,657
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		-	-	-	-	-	-	-	-	-
Energy sources		-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
<b>Total Revenue</b>	<b>2</b>	<b>53,446</b>	<b>53,310</b>	<b>57,818</b>	<b>65,268</b>	<b>65,581</b>	<b>-</b>	<b>69,709</b>	<b>70,323</b>	<b>73,996</b>
<b>Expenditure - Functional</b>										
<i>Governance and administration</i>		48,561	43,991	44,660	48,859	48,768	-	53,735	53,571	56,339
Executive and council		15,345	13,982	14,054	13,357	13,591	-	15,846	16,701	17,603
Finance and administration		33,216	30,009	30,606	35,502	35,177	-	37,890	36,870	38,736
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		-	-	-	-	-	-	-	-	-
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental management</i>		12,064	14,630	14,758	16,409	16,331	-	15,974	16,752	17,657
Planning and development		12,064	14,630	14,758	16,409	16,331	-	15,974	16,752	17,657
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		-	-	-	-	-	-	-	-	-
Energy sources		-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
<b>Total Expenditure</b>	<b>3</b>	<b>60,625</b>	<b>58,621</b>	<b>59,418</b>	<b>65,268</b>	<b>65,098</b>	<b>-</b>	<b>69,709</b>	<b>70,323</b>	<b>73,996</b>
<b>Surplus/(Deficit) for the year</b>		<b>(7,179)</b>	<b>(5,311)</b>	<b>(1,600)</b>	<b>-</b>	<b>483</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

DC16 Xhariep - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description Ref	R thousand	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
<b>Revenue by Vote</b>	<b>1</b>									
Vote 1 - General Council		2,788	5,260	5,862	6,316	6,597	-	7,929	8,357	8,808
Vote 2 - Municipal Manager		5,437	6,433	6,592	7,041	6,994	-	7,917	8,344	8,795
Vote 3 - Budget & Treasury Office		14,327	11,109	13,076	15,725	14,661	-	14,878	15,682	16,529
Vote 4 - Planning & Development		11,549	14,605	14,758	16,409	16,355	-	15,894	16,752	17,657
Vote 5 - Corporate Service		19,346	15,903	17,529	19,777	20,974	-	23,091	21,188	22,207
Vote 6 - [NAME OF VOTE 6]		-	-	-	-	-	-	-	-	-
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
<b>Total Revenue</b>	<b>2</b>	<b>53,446</b>	<b>53,310</b>	<b>57,818</b>	<b>65,268</b>	<b>65,581</b>	<b>-</b>	<b>69,709</b>	<b>70,323</b>	<b>73,996</b>
<b>Expenditure by</b>	<b>1</b>									
Vote 1 - General Council		5,818	5,421	7,462	6,316	6,694	-	7,929	8,357	8,808
Vote 2 - Municipal Manager		9,527	8,561	6,592	7,041	7,462	-	7,917	8,344	8,795
Vote 3 - Budget & Treasury Office		13,416	10,310	13,076	15,725	15,995	-	14,878	15,682	16,529
Vote 4 - Planning & Development		12,064	14,630	14,758	16,409	17,331	-	15,974	16,752	17,657
Vote 5 - Corporate Service		19,801	19,698	17,529	19,777	20,983	-	23,011	21,188	22,207
Vote 6 - [NAME OF VOTE 6]		-	-	-	-	-	-	-	-	-
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
<b>Total Expenditure</b>	<b>2</b>	<b>60,625</b>	<b>58,621</b>	<b>59,418</b>	<b>65,268</b>	<b>68,465</b>	<b>-</b>	<b>69,709</b>	<b>70,323</b>	<b>73,996</b>
<b>Surplus/(Deficit)</b>	<b>2</b>	<b>(7,179)</b>	<b>(5,311)</b>	<b>(1,600)</b>	<b>-</b>	<b>(2,885)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**References**

1. Insert 'Vote'; e.g. department, if different to functional classification structure
2. Must reconcile to Budgeted Financial Performance (revenue and expenditure)
3. Assign share in 'associate' to relevant Vote

DC16 Xhariep - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
<b>Revenue By Source</b>											
Property rates	2	-	-	-	-	-	-	-	-	-	-
Service charge	2	-	-	-	-	-	-	-	-	-	-
Service charge	2	-	-	-	-	-	-	-	-	-	-
Service charge	2	-	-	-	-	-	-	-	-	-	-
Service charge	2	-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment		436	431	430		490			562	593	625
Interest earned - external invest		183	97	108		180			200	211	222
Interest earned - outstanding de		135	63	147					-	-	-
Dividends received											
Fines, penalties and forfeits											
Licences and permits			-						25	26	28
Agency services											
Transfers and subsidies		52,306	52,529	59,679	64,762	64,762			68,740	69,301	72,918
Other revenue	2	387	471	480	507	149	-	-	182	193	204
Gains on disposal of PPE		309									
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>53,755</b>	<b>53,592</b>	<b>60,844</b>	<b>65,268</b>	<b>65,581</b>	<b>-</b>	<b>-</b>	<b>69,709</b>	<b>70,323</b>	<b>73,996</b>
<b>Expenditure By Type</b>											
Employee rel	2	34,811	36,819	39,451	42,370	42,027	-	-	46,238	48,277	50,457
Remuneration of councillors		4,045	3,961	4,496	4,317	4,490	-	-	4,890	5,525	6,424
Debt impairme	3	1,184	741	554					490	539	593
Depreciation &	2	2,290	2,181	2,406	1,652	1,652	-	-	1,652	1,252	952
Finance charges		400	518	357					370	326	299
Bulk purchase	2	-	-	-	-	-	-	-	-	-	-
Other material	8								2,394		
Contracted services		3,001	5,093	5,716	5,996	5,996	-	-	1,460	1,498	1,538
Transfers and subsidies		-	-	-	-	-	-	-	-	-	-
Other expendi	4, 5	14,894	8,031	6,801	10,932	10,932	-	-	12,214	12,931	13,239
Loss on disposal of PPE		134	15	6							
<b>Total Expenditure</b>		<b>60,759</b>	<b>57,360</b>	<b>59,766</b>	<b>65,268</b>	<b>65,098</b>	<b>-</b>	<b>-</b>	<b>69,709</b>	<b>70,348</b>	<b>73,503</b>
<b>Surplus/(Deficit)</b>		<b>(7,004)</b>	<b>(3,768)</b>	<b>1,058</b>	<b>0</b>	<b>483</b>	<b>-</b>	<b>-</b>	<b>0</b>	<b>(25)</b>	<b>493</b>

Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)											
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)	6	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (in-kind - all)		(7,004)	(3,768)	1,058	0	483	-	-	0	(25)	493
Surplus/(Deficit) after capital transfers & contributions											
Taxation											
Surplus/(Deficit) after taxation		(7,004)	(3,768)	1,058	0	483	-	-	0	(25)	493
Attributable to minorities		(7,004)	(3,768)	1,058	0	483	-	-	0	(25)	493
Surplus/(Deficit) attributable to municipality											
Share of surplus/(deficit) of associate	7										
Surplus/(Deficit) for the year		(7,004)	(3,768)	1,058	0	483	-	-	0	(25)	493

DC16 Xhariep - Tabl A5 Capital Expenditure

Vote Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
<b>R thousand</b>	<b>1</b>										
<b>Capital expenditure - Vote</b>											
<b>Multi-year expenditure to be appropriated</b>	<b>2</b>										
Vote 1 - General Council		-	-	-	150	100	-	-	-	-	-
Vote 2 - Municipal Manager		-	-	-	43	-	-	-	40	-	-
Vote 3 - Budget & Treasury Office		-	-	-	63	50	-	-	-	22	27
Vote 4 - Planning & Development		-	-	-	-	-	-	-	40	-	-
Vote 5 - Corporate Service		424	212	1,373	25	10	-	-	-	-	-
Vote 6 - [NAME OF VOTE 6]		-	-	-	-	-	-	-	-	-	-
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	<b>7</b>	<b>424</b>	<b>212</b>	<b>1,373</b>	<b>281</b>	<b>160</b>	<b>-</b>	<b>-</b>	<b>80</b>	<b>22</b>	<b>27</b>
<b>Single-year expenditure to be appropriated</b>	<b>2</b>										
Vote 1 - General Council		-	-	-	-	-	-	-	-	-	-
Vote 2 - Municipal Manager		-	-	-	-	-	-	-	-	-	-
Vote 3 - Budget & Treasury Office		-	-	-	-	-	-	-	-	-	-
Vote 4 - Planning & Development		-	-	-	-	-	-	-	-	-	-
Vote 5 - Corporate Service		-	-	-	-	-	-	-	-	-	-
Vote 6 - [NAME OF VOTE 6]		-	-	-	-	-	-	-	-	-	-
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total		-	-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure - Vote</b>		<b>424</b>	<b>212</b>	<b>1,373</b>	<b>281</b>	<b>160</b>	<b>-</b>	<b>-</b>	<b>80</b>	<b>22</b>	<b>27</b>
<b>Capital Expenditure - Functional</b>											
<b>Governance and administration</b>		<b>424</b>	<b>212</b>	<b>1,373</b>	<b>281</b>	<b>160</b>	<b>-</b>	<b>-</b>	<b>40</b>	<b>22</b>	<b>27</b>
Executive and council		-	-	-	193	150	-	-	40	22	27
Finance and administration		424	212	1,373	88	10	-	-	-	-	-
Internal audit		-	-	-	-	-	-	-	-	-	-
<b>Community and public safety</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Community and social services		-	-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>40</b>	<b>-</b>	<b>-</b>
Planning and development		-	-	-	-	-	-	-	40	-	-
Road transport		-	-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-	-
<b>Trading services</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Energy sources											
Water management											
Waste water management											
Waste management									-		
Other									80	22	27
<b>Total Capital Expenditure - Functional</b>	<b>3</b>	<b>424</b>	<b>212</b>	<b>1,373</b>	<b>281</b>	<b>160</b>	<b>-</b>	<b>-</b>	<b>80</b>	<b>22</b>	<b>27</b>
<b>Funded by:</b>											
National Government		424	212	1,373	281	160			80	22	27
Provincial Government									-		
District Municipality											
Other transfers and grants											
Transfers recognised - capital	4	424	212	1,373	281	160	-	-	80	22	27
Borrowing	6										
Internally generated funds											
<b>Total Capital Funding</b>	<b>7</b>	<b>424</b>	<b>212</b>	<b>1,373</b>	<b>281</b>	<b>160</b>	<b>-</b>	<b>-</b>	<b>80</b>	<b>22</b>	<b>27</b>

#### References

1. Municipalities may choose to appropriate for capital expenditure for three years or for one year (if one year appropriation projected expenditure required for yr2)
2. Include capital component of PPP unitary payment. Note that capital transfers are only appropriated to municipalities for the budget year
3. Capital expenditure by functional classification must reconcile to the appropriations by vote
4. Must reconcile to supporting table SA20 and to Budgeted Financial Performance (revenue and expenditure)
6. Include finance leases and PPP capital funding component of unitary payment - total borrowing/repayments to reconcile to changes in Table SA17
7. Total Capital Funding must balance with Total Capital Expenditure
8. Include any capitalised interest (MFMA section 46) as part of relevant capital budget

check balance